

# The Hunt is on!

## 2018 Wichita Housing Forecast

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Greater Kansas Chapter of the Appraisal Institute  
October 24, 2017

# 2018 Wichita Housing Forecast Sponsors



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# Thanks to:



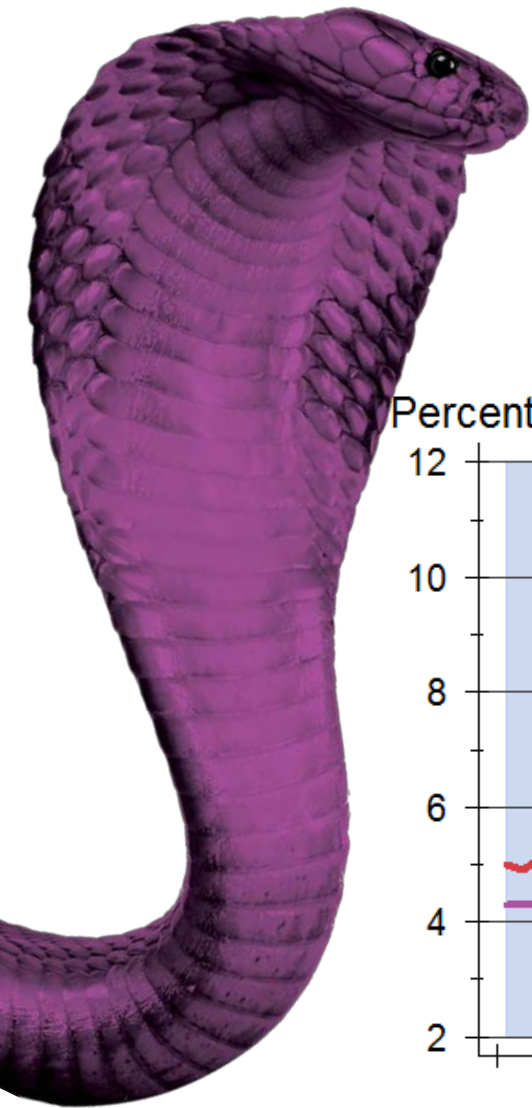
and participating  
REALTOR® MLS systems across Kansas



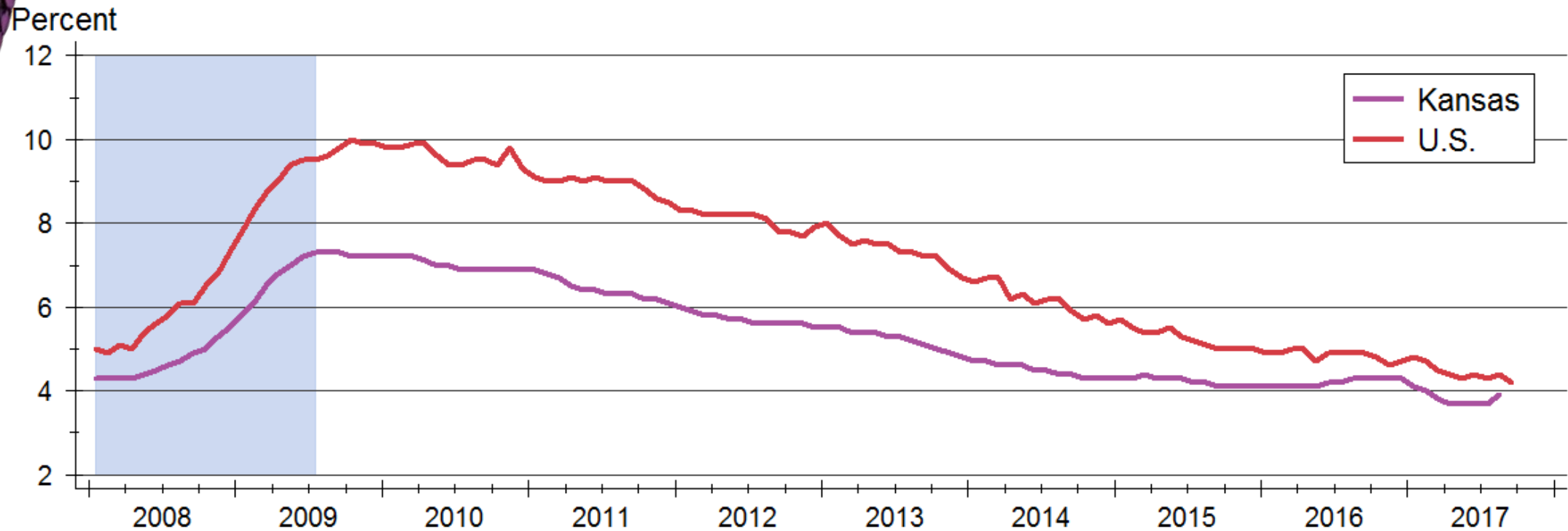
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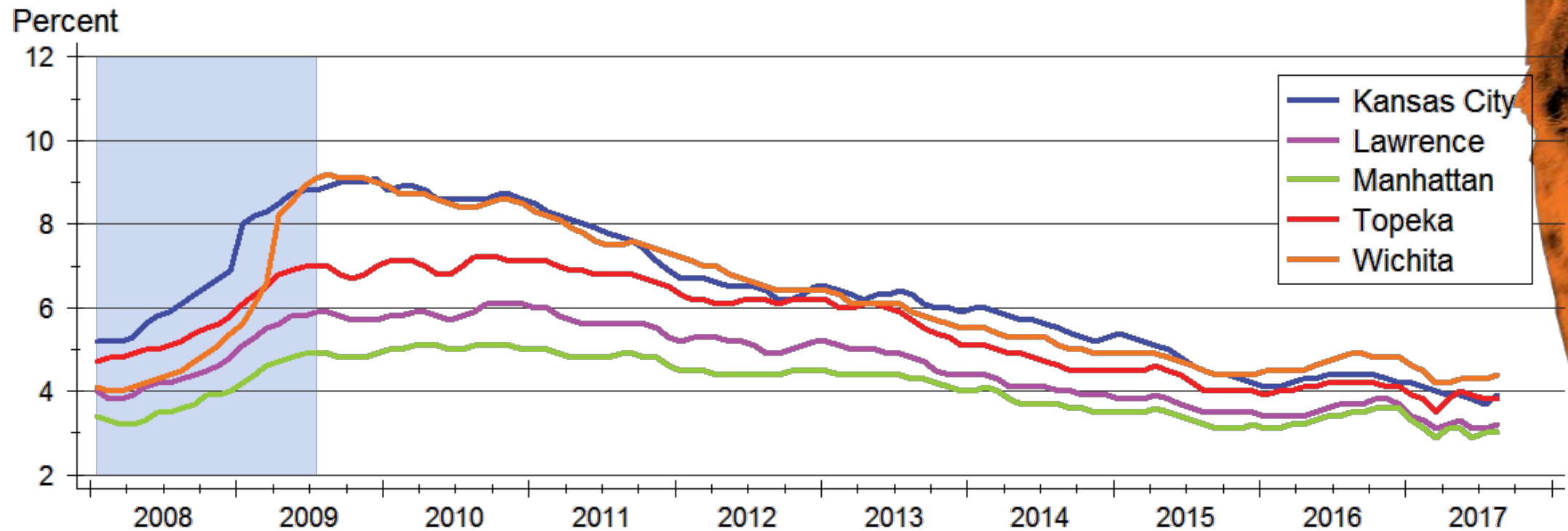


# Kansas Unemployment Rate



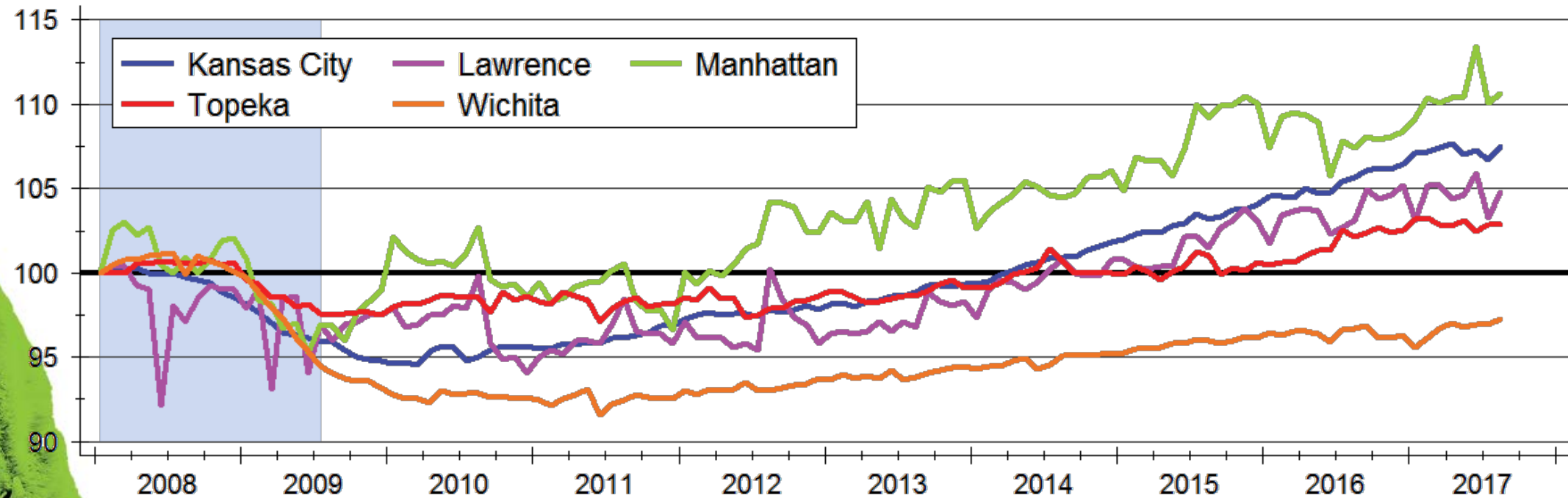
Source: U.S. Bureau of Labor Statistics  
Data are seasonally adjusted

# Unemployment across Kansas



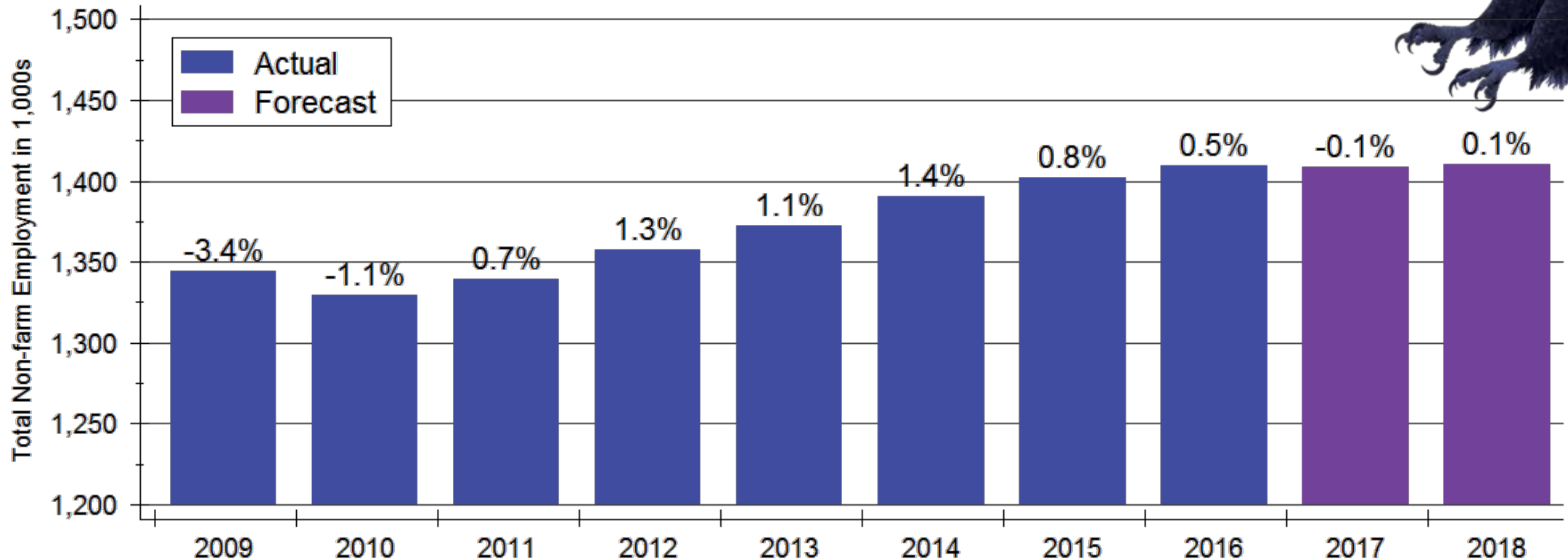
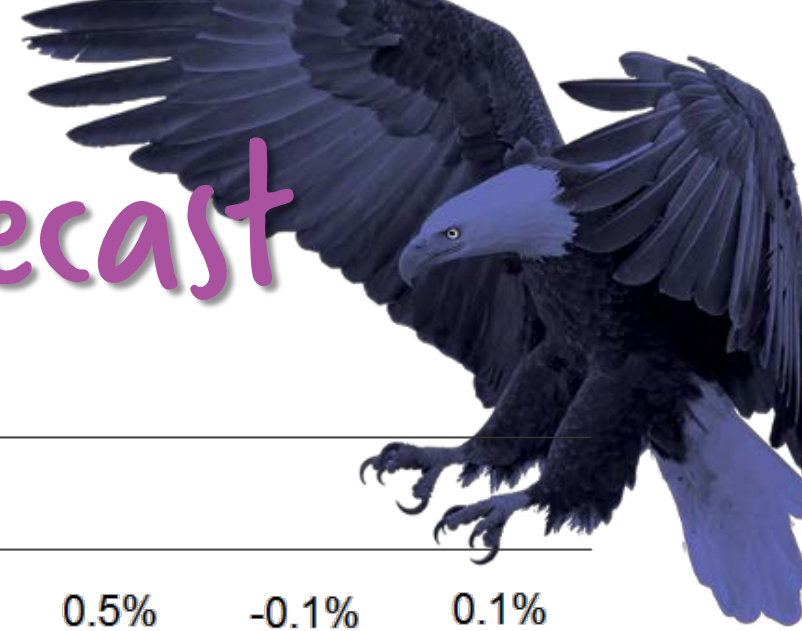
# Total Employment across Kansas

Index: 2008m1 = 100



Source: U.S. Bureau of Labor Statistics  
Indexes created from seasonally adjusted data

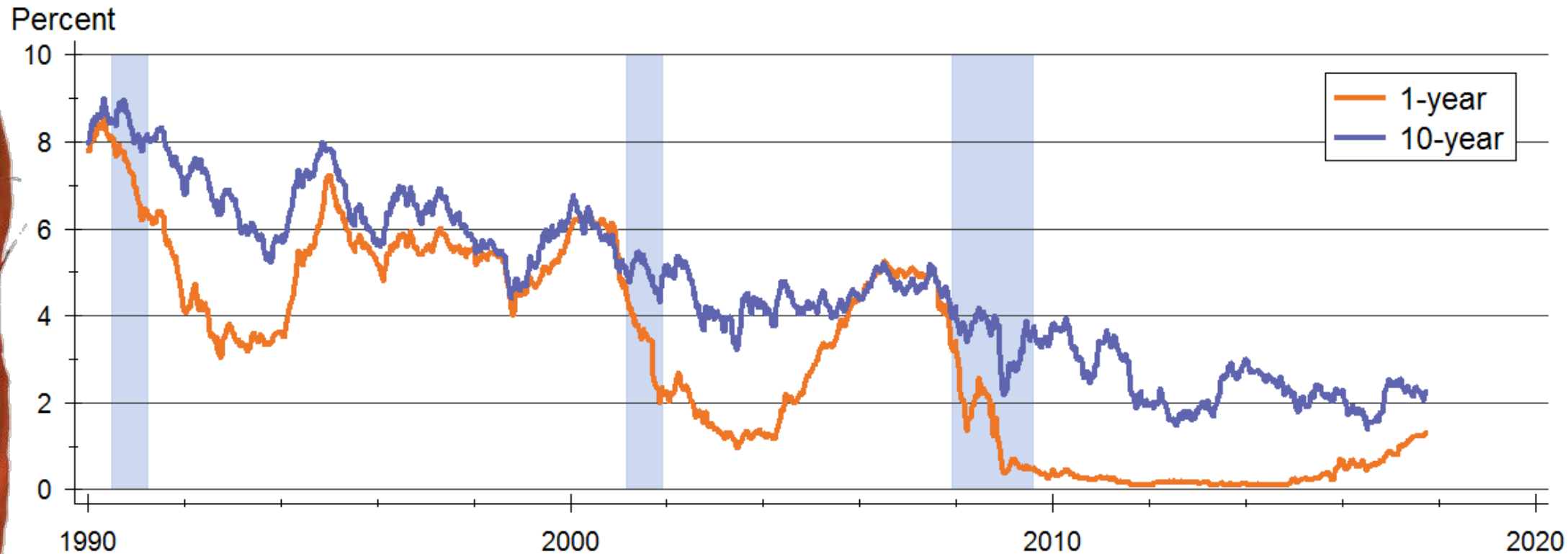
# Kansas Employment Forecast



Sources: Kansas Department of Labor and WSU CEDBR



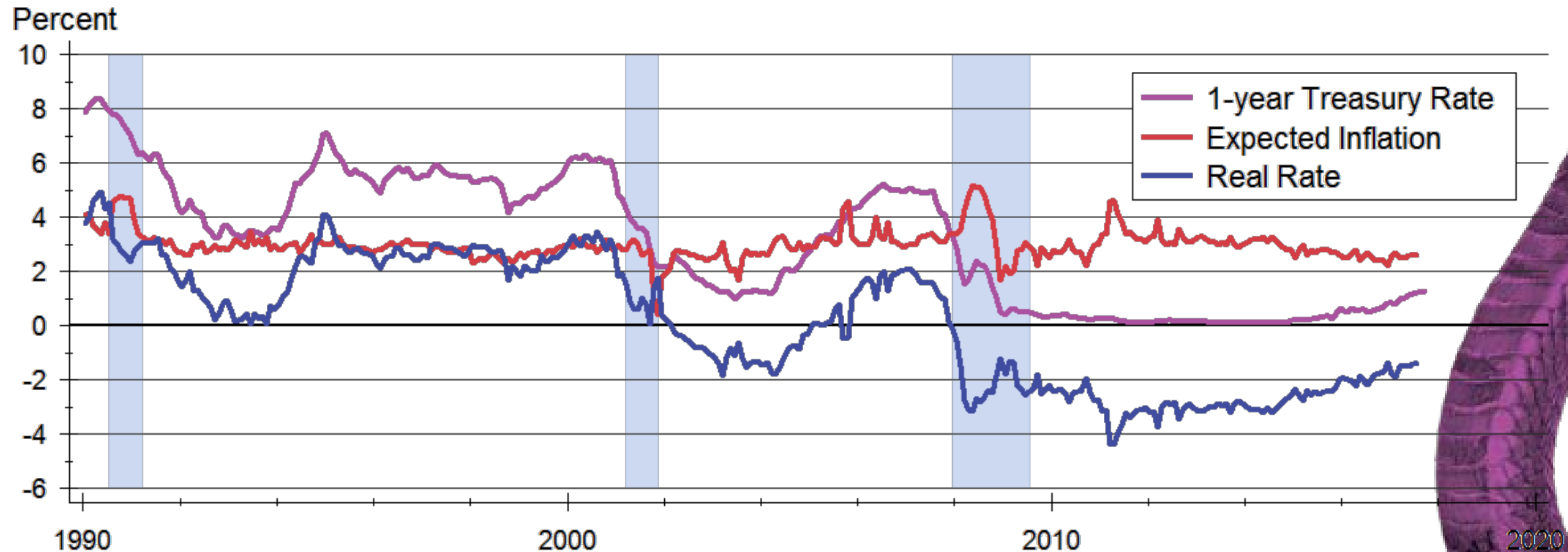
# U.S. Treasury Rates



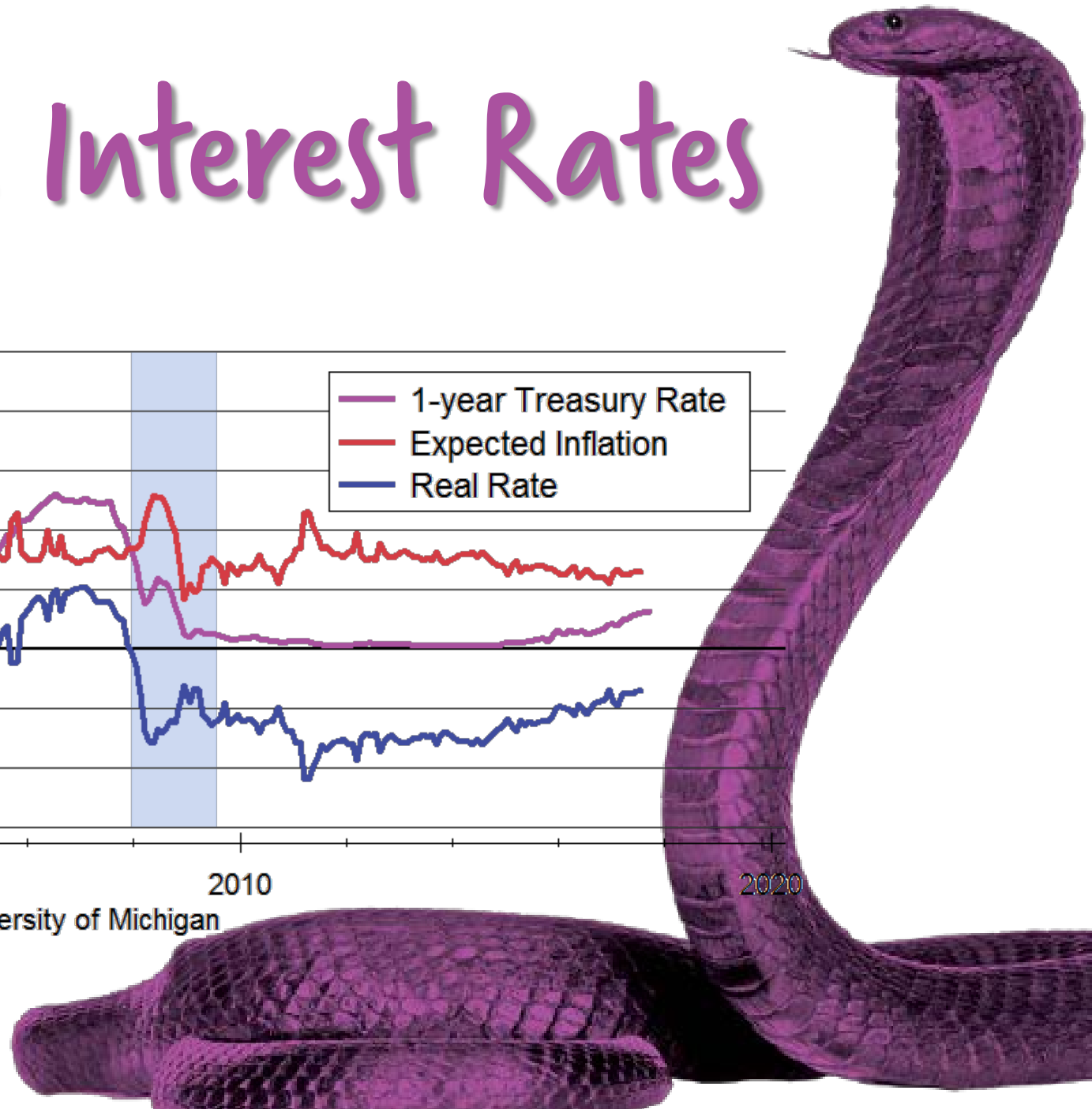
Source: Board of Governors of the Federal Reserve System



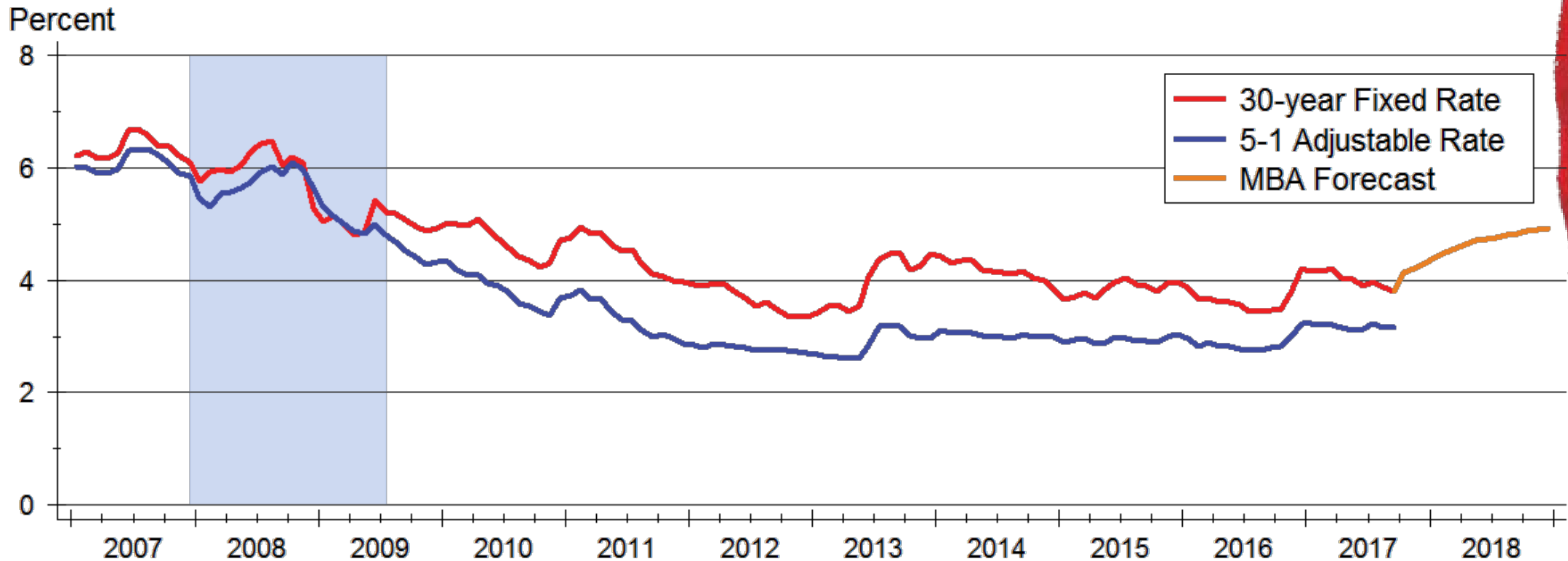
# Real Short Term Interest Rates



Sources: Board of Governors of the Federal Reserve System and University of Michigan



# Mortgage Rates Forecast

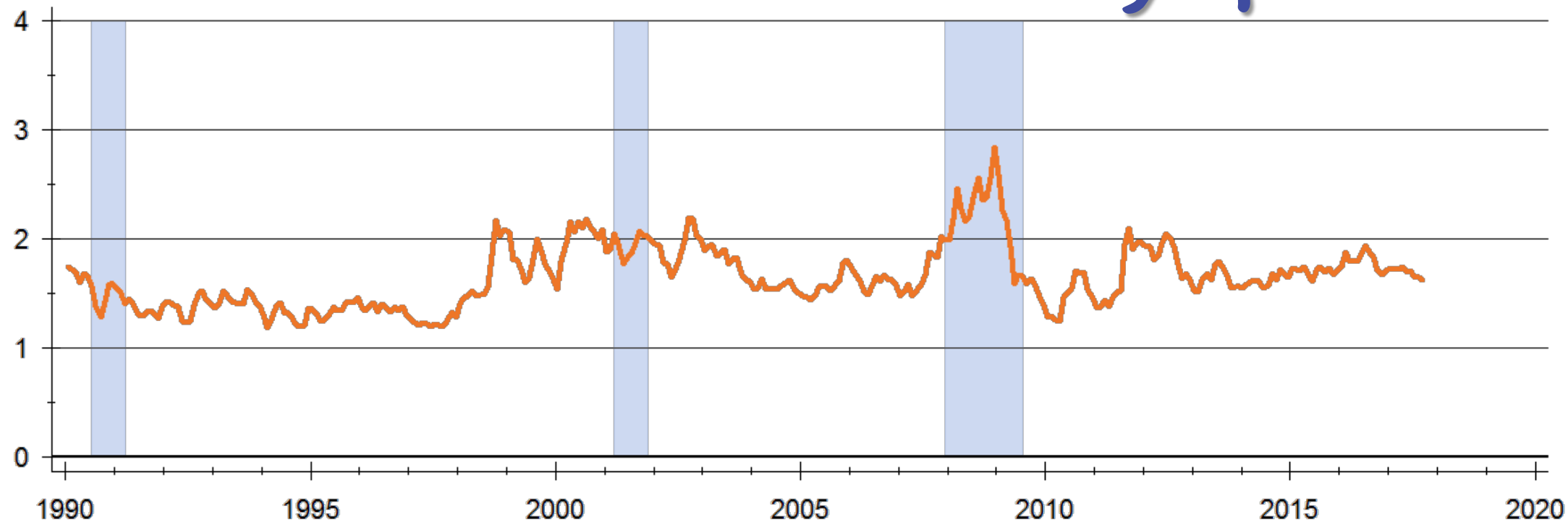


Sources: Freddie Mac; Mortgage Bankers Association



# 30-Year Mortgage / 10-Year Treasury Spread

Percent



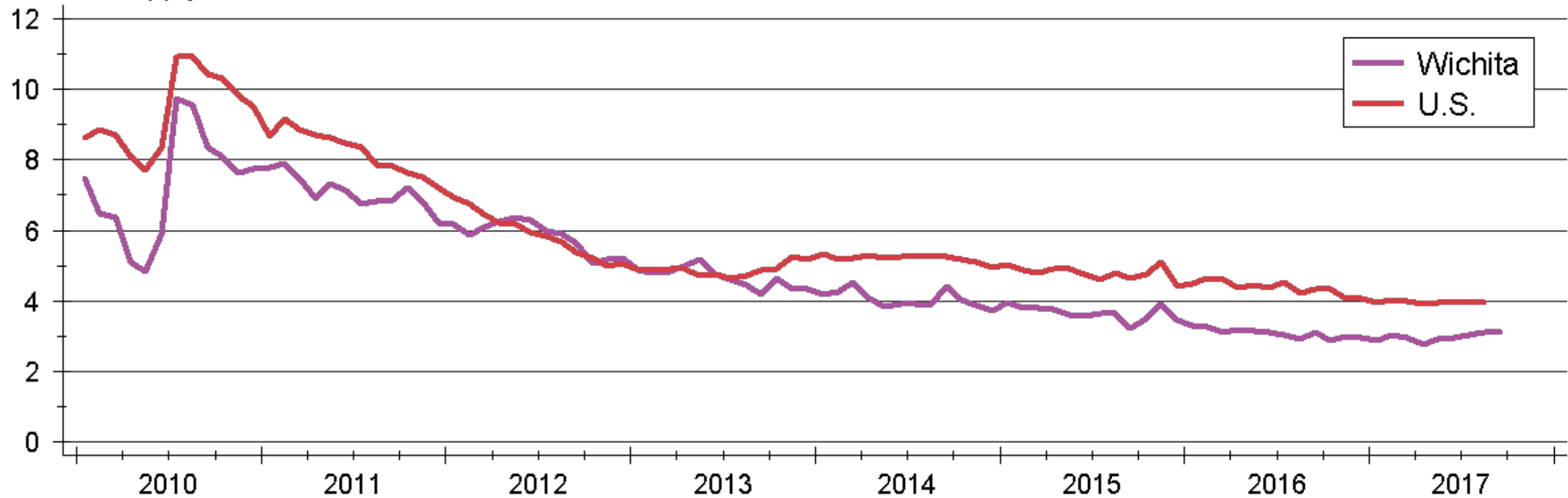
Sources: Board of Governors of the Federal Reserve System and Freddie Mac





# Inventory of Homes for Sale

Months' Supply



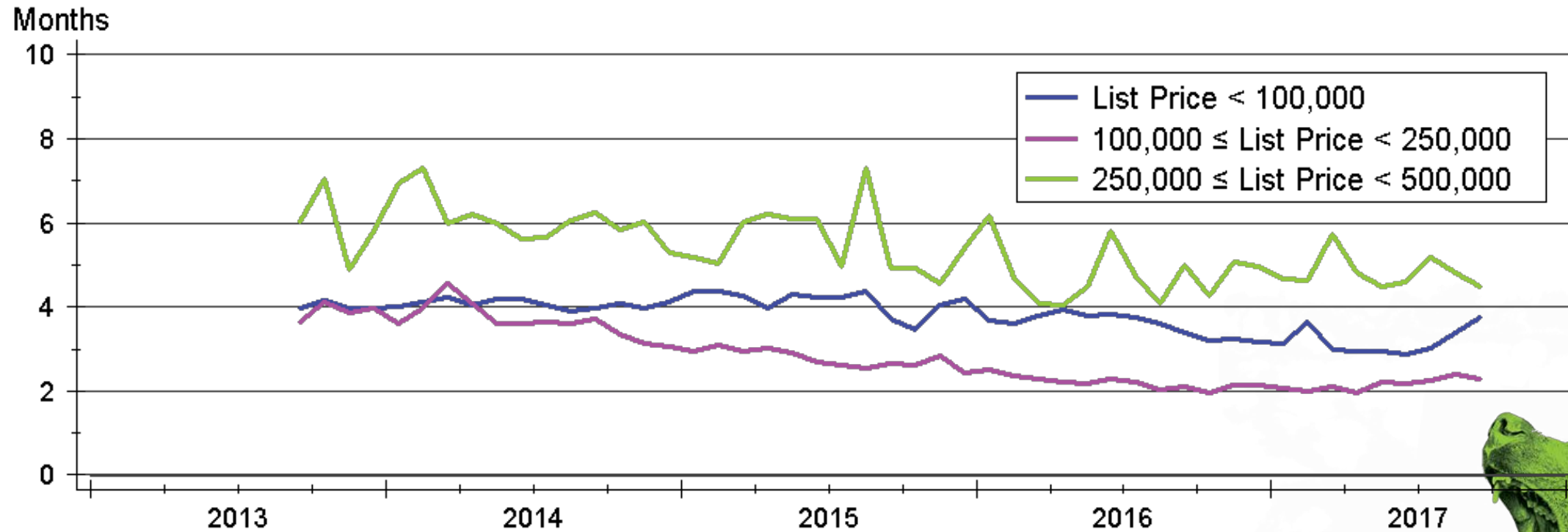
Sources: NAR and South Central Kansas MLS

Note: Data are seasonally adjusted



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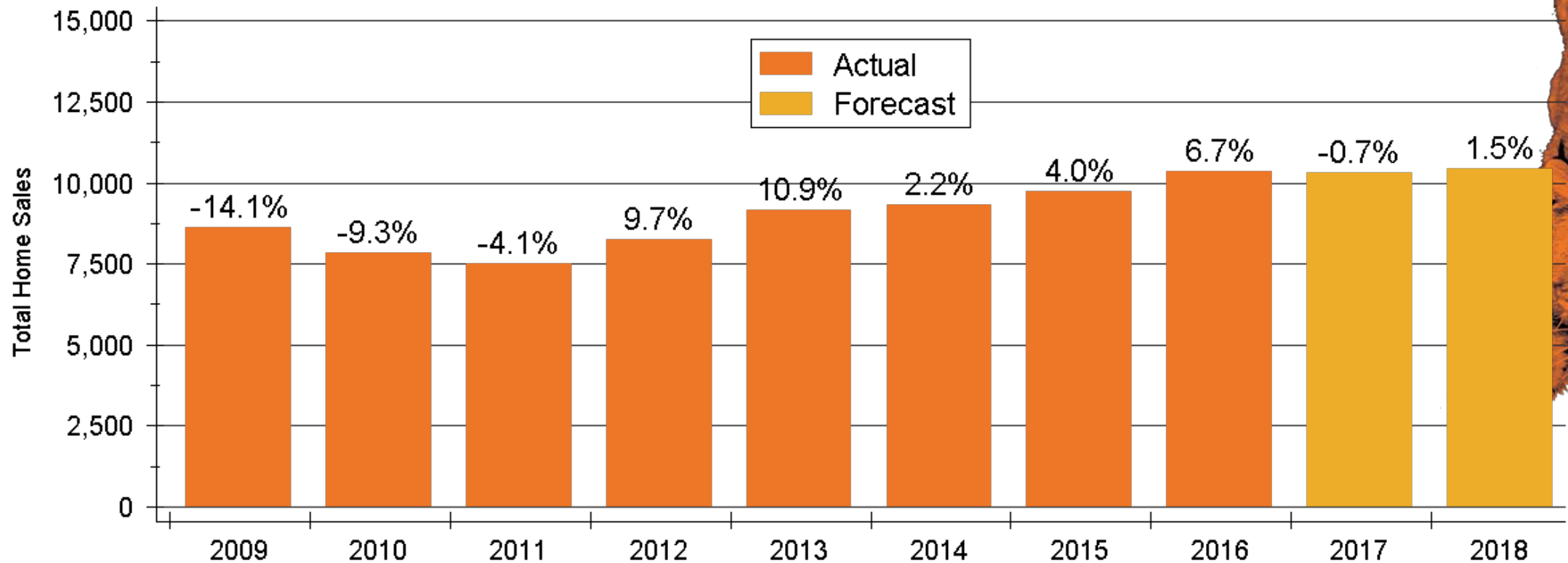
# Wichita Inventories by Price Range



Source: South Central Kansas MLS  
Data are seasonally adjusted



# Wichita Home Sales Forecast



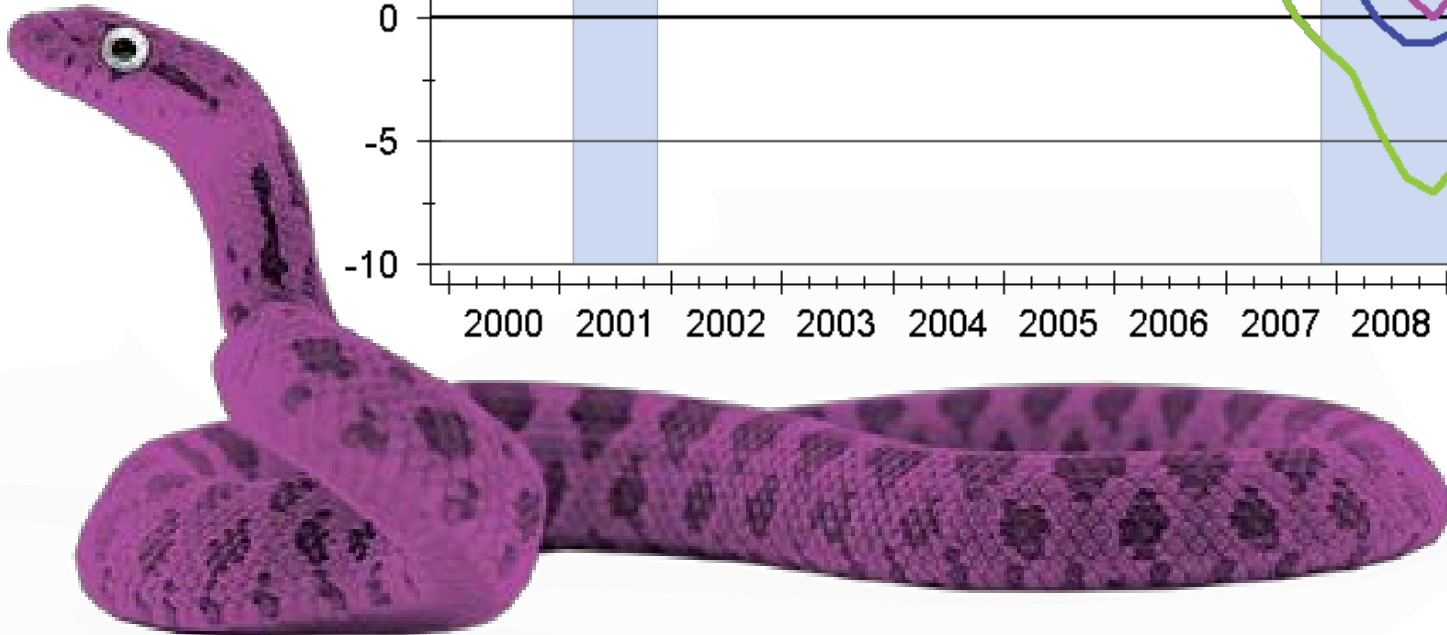
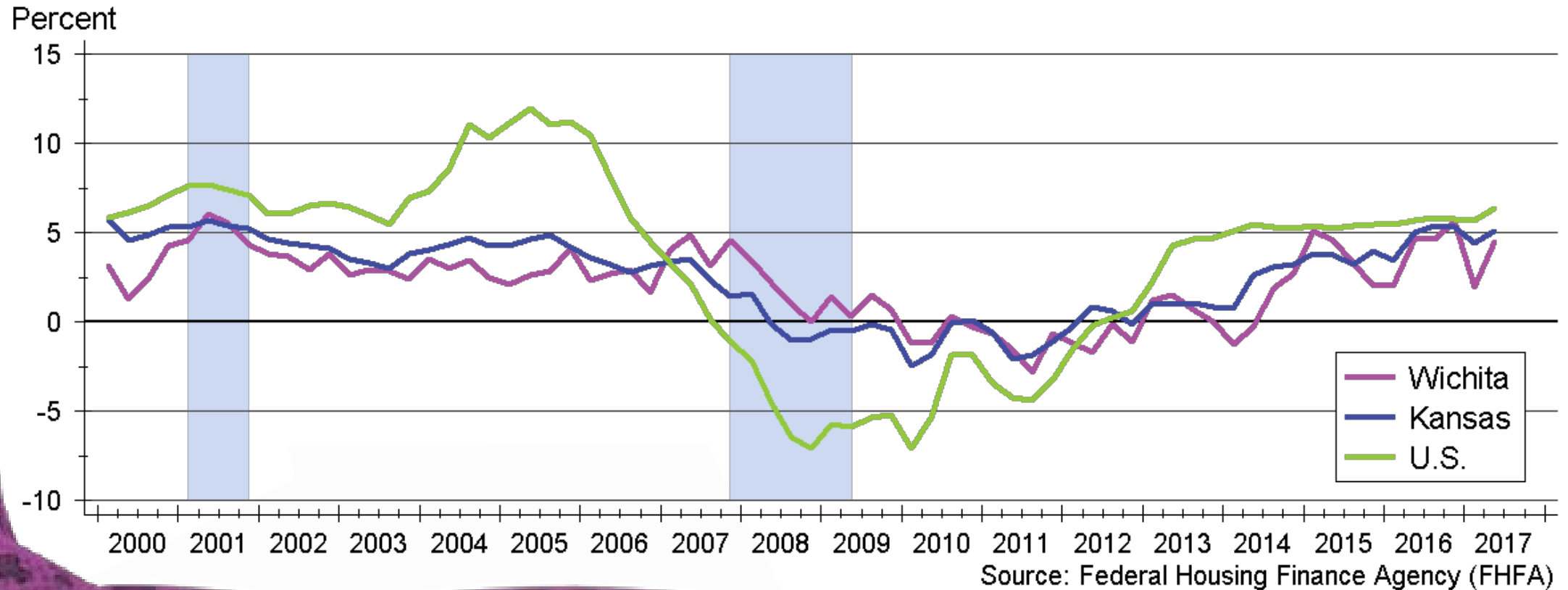
Sources: WSU Center for Real Estate and South Central Kansas MLS





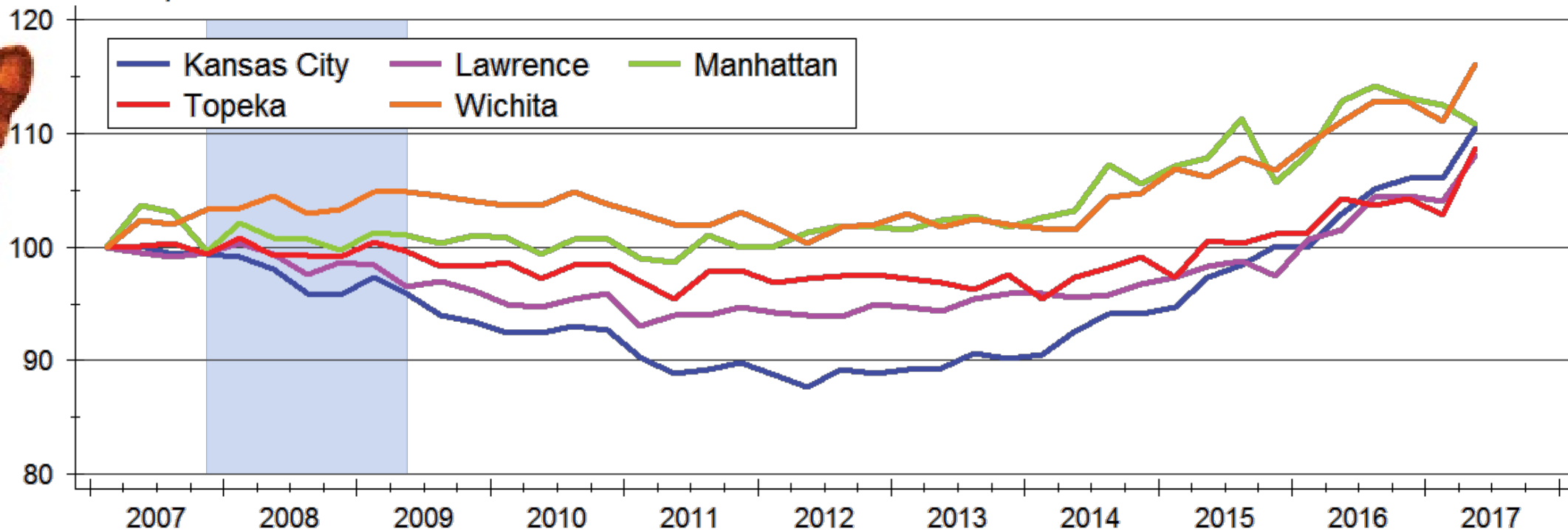
Buyers are snatching  
up available homes  
incredibly fast...

# Wichita Home Price Appreciation



# Home Price Appreciation across Kansas

Index: 2007q1 = 100



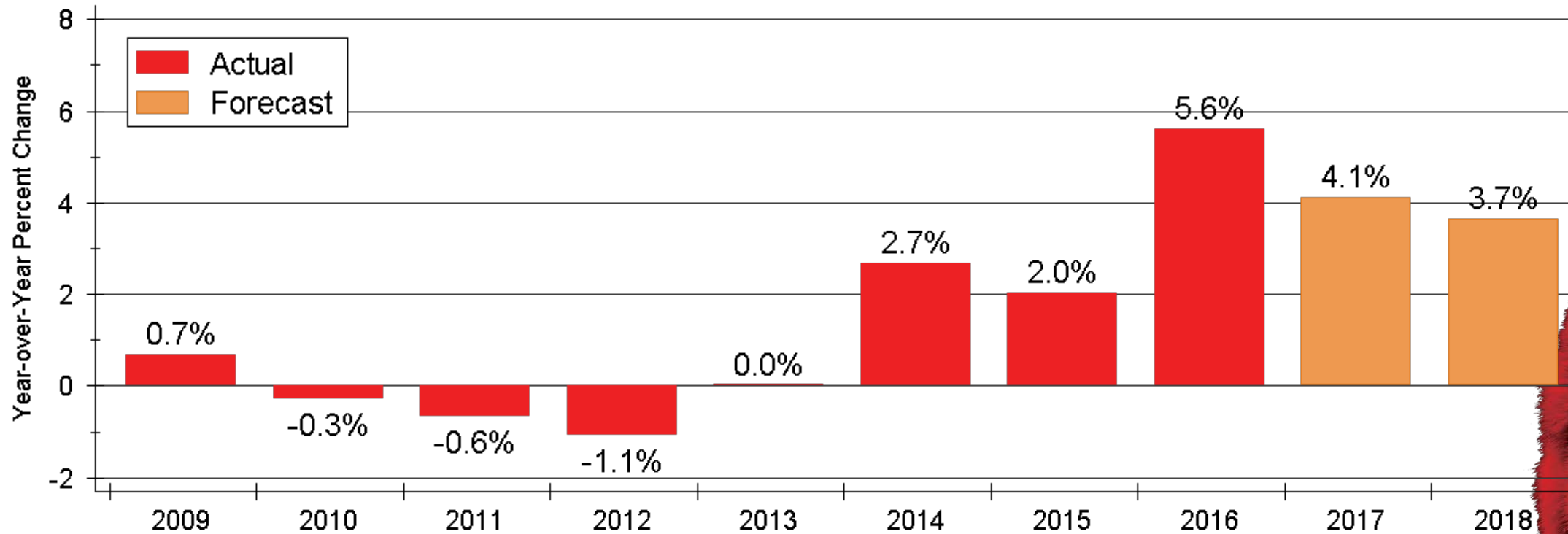
Source: Federal Housing Finance Agency (FHFA)



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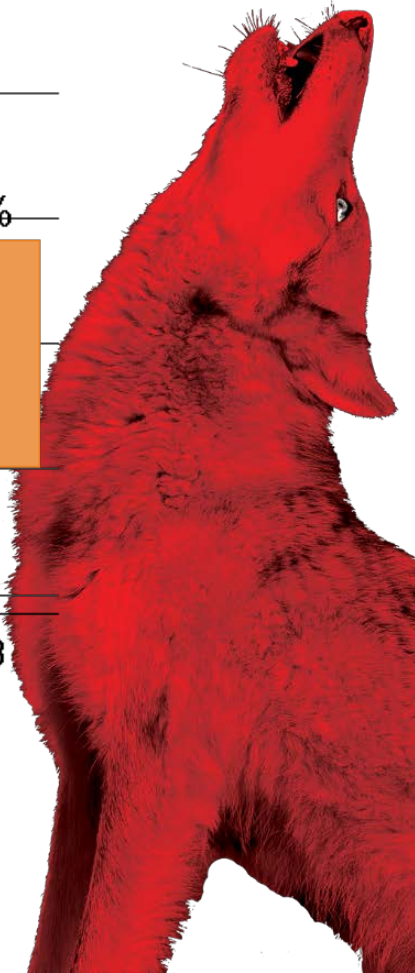


# Home Price Appreciation Forecast

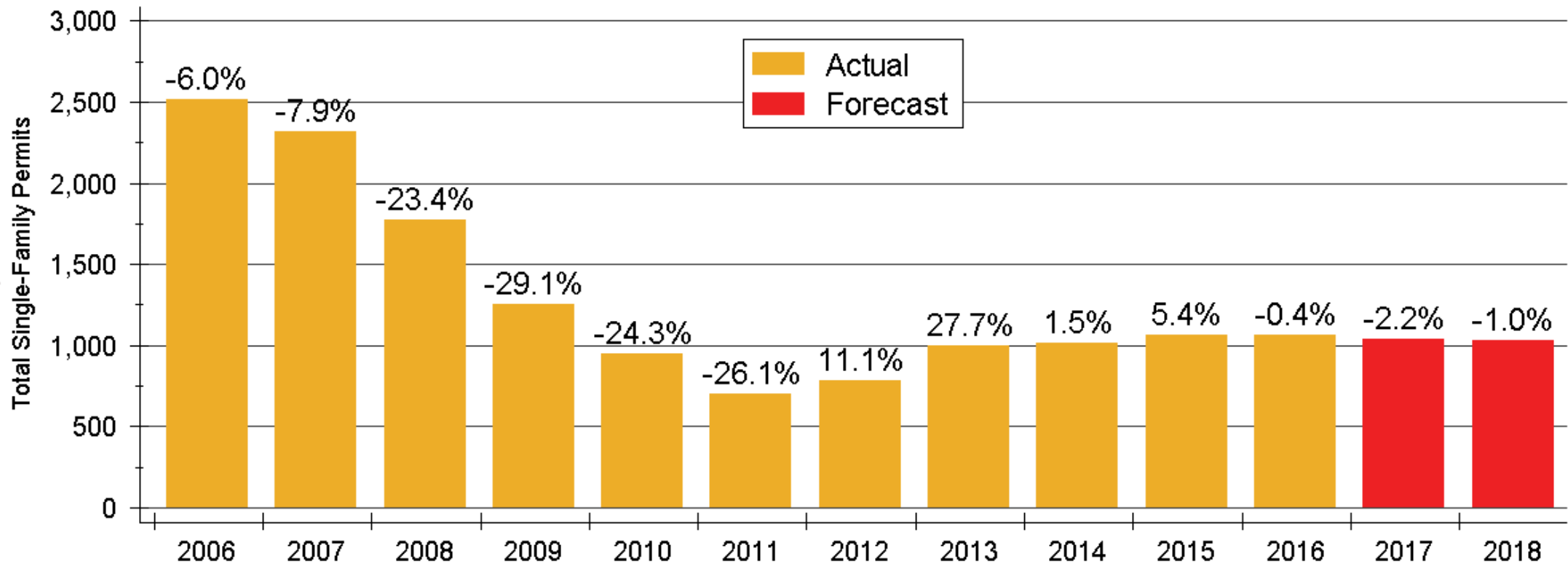


Sources: WSU Center for Real Estate and Federal Housing Finance Agency

Appreciation calculated using 4<sup>th</sup> quarter values of the FHFA all-transactions house price index



# Wichita Home Construction Forecast



Sources: WSU Center for Real Estate and U.S. Bureau of the Census

# 2018 Wichita Forecast

|                         | 2015 Actual          | 2016 Actual           | 2017 Forecast         | 2018 Forecast         |
|-------------------------|----------------------|-----------------------|-----------------------|-----------------------|
| Total Home Sales        | 9,719 units<br>+4.0% | 10,369 units<br>+6.7% | 10,300 units<br>-0.7% | 10,450 units<br>+1.5% |
| SF Building Permits     | 1,067 units<br>+5.4% | 1,063 units<br>-0.4%  | 1,040 units<br>-2.2%  | 1,030 units<br>-1.0%  |
| Home Price Appreciation | +2.0%                | +5.6%                 | +4.1%                 | +3.7%                 |

Sources: South Central Kansas MLS; U.S. Bureau of the Census;  
Federal Housing Finance Agency; WSU Center for Real Estate



# 2018 Major Market Forecasts

|                         | KC                    | Lawrence             | Manhattan            | Topeka               | Wichita               |
|-------------------------|-----------------------|----------------------|----------------------|----------------------|-----------------------|
| Total Home Sales        | 38,520 units<br>+3.6% | 1,560 units<br>+4.0% | 1,010 units<br>+9.8% | 3,200 units<br>+0.6% | 10,450 units<br>+1.5% |
| SF Building Permits     | 6,005 units<br>+2.0%  | 250 units<br>-5.7%   | 275 units<br>+5.8%   | 270 units<br>-5.3%   | 1,030 units<br>-1.0%  |
| Home Price Appreciation | +6.6%                 | +4.4%                | +3.2%                | +2.7%                | +3.7%                 |

Sources: Heartland MLS; Lawrence Board of REALTORS®; Manhattan Association of REALTORS®; Sunflower Association of REALTORS®; South Central Kansas MLS; U.S. Bureau of the Census; Federal Housing Finance Agency; WSU Center for Real Estate



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# WSU Center for Real Estate

## Laying a Foundation for Real Estate in Kansas

*[www.wichita.edu/realestate](http://www.wichita.edu/realestate)*



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